



**Testimony of Dr. J. Michael Haynie**  
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BEFORE THE

**U.S. Senate Committee on Small Business and Entrepreneurship**

***Empowering Veteran Entrepreneurship***

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Chairman Vitter, Ranking Member Shaheen, and distinguished members of the Committee: Thank you for the opportunity to testify today on a subject that represents for me a personal and professional passion – that is, leveraging business ownership as a means to empower our nation's veterans and their families.

As a veteran myself, I can think of no community of Americans more deserving of the opportunity to live the American Dream of business ownership, than those who have defended that very dream while wearing the uniform of the nation. Further, as an entrepreneurship professor I'm convinced that opening new pathways to business ownership for transitioning service members and veterans represents a compelling economic opportunity for the nation, well-positioned to fuel the engine of new venture creation and business growth in America.

I make this claim as one grounded in both academic research and historical precedent. Veterans are over-indexed to business ownership, representing 13.5 percent of all small businesses. The nation's 2.4 million veteran-owned businesses employ more than 5.7 million Americans, and contribute approximately \$1.2 trillion annually to our GDP. Given that more than 60 percent of new jobs created each year come from small businesses, including many of the new jobs currently being filled by the more than one-million post-9/11 veterans who have transitioned to civilian life over the past 10 years, expanding access to business ownership for our veterans makes economic good sense.

A second and equally compelling argument for action to empower veterans as business owners is grounded in service and citizenship, and the relationship between the role that our veterans played in defending freedom, and the role that veterans can play in creating economic freedom for themselves, and this nation. For me, entrepreneurship and business ownership represent the most freedom creating economic activity underpinning our democratic society. I believe that as deeply as I believe in anything, because I've seen it in action.

I've watched entrepreneurship change lives and communities, conferring freedom and a voice to countless numbers of Americans; to the young mother denied opportunity by her employee because of her status as a single parent; to the retiree who is assumed to have nothing left to offer simply because of his age; to the young Marine who I met when I made my first visit to Walter Reed hospital in 2007. This young man had lost both his legs in Afghanistan, and said to me that he sees business ownership as a means to take his life back from the government and

from the doctors, and from all those people who appear to have written him off because they assumed – given his injuries – that the economically productive period of his life was over.

Put simply, it's for these reasons that the men and women who have answered the nation's call to military service should be afforded expanded opportunity to serve their families, communities and the nation as business owners and leaders. Accordingly, I'm thrilled for the opportunity to highlight to the committee what I would describe as unprecedented collective and collaborative action – across the public and private sectors – in support of expanding access to business ownership for transitioning service-members and veterans.

To begin, I'll highlight and commend this body. With the support of Congress, and through an interagency collaboration led by the Small Business Administration, the Boots to Business program has been legislated as a component of the Department of Defense's Transition Assistance (TAP) program. For the first time since World War II, a pathway to business ownership has been institutionalized within DoD's formal transition infrastructure – a pathway that to date has afforded more than 30,000 transitioning soldiers, sailors, airman, and Marines the opportunity to receive business ownership training and mentorship.

The SBA has been forward-leaning and innovative with regard to leveraging public-private partnerships, supporting new and community-connected initiatives advancing veteran business ownership across its network of Small Business Development Centers (SBDCs) and Veteran Business Outreach Centers (VBOCs). Further, the SBA has also formed strong partnerships with academic institutions like mine – Syracuse University – and others, to bring scale to programs like the Entrepreneurship Bootcamp for Veterans with Disabilities (EBV), and Veteran Women Igniting the Spirit of Entrepreneurship (V-WISE). These programs have demonstrated extraordinary impact, and also the ability to scale efficiently to meet ever increasing demand.

Finally, it's exciting to see how, just recently, the private sector has seized on the opportunity to expand access to business ownership for our veterans. For example, last month a coalition of some of the nation's leading companies, in partnership with the Institute for Veterans and Military Families at Syracuse University, announced the launch of the Coalition for Veteran Owned Business (CVOB). This first-of-its-kind national initiative will support the success of veteran, service member, and military family-owned businesses by connecting them with entrepreneurial education and training, small business resources and solutions, and commerce and supplier opportunities. Led by First Data Corporation, member companies such as American Express, BP America, KKR, Lockheed Martin, SunTrust, USAA, Verizon, Walmart, Sam's Club, and the Walt Disney Company have pledged to support veteran and military family-owned businesses in a host of ways, all aimed toward increasing 'main street' business opportunities for veteran-owned ventures.

In closing, thank you for the opportunity today to share my perspective, and thank you for your ongoing leadership in support of both public- and private-sector efforts to empower the next greatest generation of veteran business owners. I look forward to your questions.